Media Release: Cuts to penalty rates will hobble Australia’s future.

23 February 2017 - The Council of Australian Postgraduate Associations (CAPA) is dumbfounded at the decision to reduce the income of Australia’s students by cutting penalty rates. This cut comes at a time when wages in Australia are already stagnant and is another blow to students who are already under financial siege.

Postgraduate students, the very students who become our future doctors, leaders, and researchers, are already often denied income support. Now, even their very ability to earn the income needed to survive is under threat. Research into student finances have already shown that 25% of postgraduate students go without the most basic necessities on a regular basis1. Students who cannot financially sustain themselves results in students studying part-time or not undertaking research at all.

Does Australia, in the midst of a so called “innovation agenda”, really want to miss out on the next medical research breakthrough or future business leader because a student had to spend an extra day in a low-paid job and was unable to study? And why is “fair work” focusing on cutting penalty rates when there are already a number of businesses underpaying their casual workforce?

Students are already turning to alternative income such as signing up for “sugar daddies” because they cannot survive on low paid employment2. What effect do we think slashing predominantly student incomes will have?

“The Federal Government makes grandiose claims about wanting Australia to become world leaders in innovation seems but hell bent on ensuring that our top students are hobbled at every turn,” said CAPA National President Peter Derbyshire.

“When students are undertaking 30-40hrs of study a week and have to work on top it is essential that they are still able to make ends meet. Cutting penalty rates will lead to increased student poverty, decreases in student mental health and impact on the research capacity of Australia"

Australian students cannot be the innovators they need to be if they are locked out of postgraduate education or if our brightest minds are unable to afford the basic necessities.

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2 http://www.news.com.au/lifestyle/relationships/dating/sugar-babies-100000-aussie-students-have-signed-up-to-find-a-sugar-daddy/news-story/b2874068fc3df08d20b8e7daee88ac9c4
END.

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